

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND VIRGINIA**

IN RE:

Case No. 09-30805-KRH

S & K FAMOUS BRANDS, INC.,

Chapter 11

Debtor.

**ORDER APPROVING STIPULATION OF THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS AND WELLS FARGO RETAIL FINANCE, LLC, AS
ADMINISTRATIVE AGENT AND COLLATERAL AGENT**

Upon consideration of the Stipulation entered into between the Official Committee of Unsecured Creditors (the "Committee") and Wells Fargo Retail Finance, LLC, as administrative agent and collateral agent ("Wells Fargo"), which is attached hereto as **Exhibit A** (the "Stipulation"), and good cause appearing,

IT IS HEREBY ORDERED that the Stipulation is approved.

Richmond, Virginia
Dated: June __, 2009

ENTERED this ____ day of June, 2009

Honorable Kevin R. Huennekens
United States Bankruptcy Judge

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WE ASK FOR THIS:

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CERTIFICATE

Pursuant to L.R. 9022-1(C)(2) of the Local Rules of the United States Bankruptcy Court for the Eastern District of Virginia, I certify that the proposed order has been served upon all necessary parties this 18th day of June, 2009.

/s/ Paul K. Campsen

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EXHIBIT A

**IN THE UNITED STATES BANKRUPTCY COURT
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RICHMOND VIRGINIA**

IN RE:

Case No. 09-30805-KRH

S & K FAMOUS BRANDS, INC.,

Chapter 11

Debtor.

**STIPULATION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS AND
WELLS FARGO RETAIL FINANCE, LLC, AS ADMINISTRATIVE AGENT AND
COLLATERAL AGENT**

This Stipulation is entered into between the Official Committee of Unsecured Creditors (the “Committee”) and Wells Fargo Retail Finance, LLC, as administrative agent and collateral agent (“Wells Fargo”). The Committee and Wells Fargo (together, the “Parties”) hereby enter into this Stipulation and agree as follows:

RECITALS

WHEREAS S & K Famous Brands, Inc. (the “Debtor”) entered into a pre-petition credit agreement (“Prepetition Credit Agreement”) dated as of April 30, 2008 with Wells Fargo;

WHEREAS on February 9, 2009 (the “Petition Date”), the Debtor filed a voluntary petition in the Bankruptcy Court for relief under chapter 11 of the Bankruptcy Code;

WHEREAS on or about February 10, 2009, the Debtor and Wells Fargo entered into a debtor-in-possession credit agreement (“DIP Credit Agreement”), which was approved by this Court on March 3, 2009 by that final order (“Final DIP Order”) authorizing the Debtor to enter into the DIP Credit Agreement (Docket No. 216). All defined terms not otherwise defined herein shall

have the meaning ascribed to such term in the Final DIP Order;

WHEREAS on February 11, 2009, the Committee was appointed in this bankruptcy case;

WHEREAS under the Final DIP Order, the Debtor paid a \$175,000 Early Termination Fee to Wells Fargo. *See* Final DIP Order, ¶ 2(c); section 2.08(b) of DIP Credit Agreement;

WHEREAS under the Final DIP Order, Wells Fargo received a \$250,000 Pre-Petition Indemnity Account from the Debtor by which it is entitled to offset fees incurred in connection with any Challenge under the paragraph 7 of the Final DIP Order. *See* Final DIP Order, ¶¶ 4(a) (iv) and 7;

WHEREAS paragraph 7 of the Final DIP Order expressly preserved the right of the Committee to challenge the payment of the Early Termination Fee paid to Wells Fargo if undertaken by not later than June 11, 2009. By agreement of Wells Fargo, the Challenge Deadline Objection was extended to June 18, 2009 on the issue of the Early Termination Fee to enable the parties to engage in settlement discussions;

NOW THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration (the receipt and sufficiency of which are acknowledged), it is hereby stipulated and agreed by and between the Parties as follows:

AGREEMENT

.1 Wells Fargo agrees to pay to the Debtor the sum of seventy five thousand dollars (\$75,000) (the “Settlement Amount”) in full and final settlement of any Challenge by the Committee, including, but not limited to, any Challenge with respect to the Early Termination Fee.

.2 Wells Fargo shall be entitled to deduct any attorney's fees and costs incurred in connection with the settlement discussions or the preparation and approval of this Stipulation against the Pre-Petition Indemnity Account, with the remainder to be returned to the Debtor (the "Remainder of the Pre-Petition Indemnity Account").

.3 The Settlement Amount and Remainder of the Pre-Petition Indemnity Account shall be paid to the Debtor by Wells Fargo within five (5) business days of the entry of an order approving this Stipulation in accordance with wire transfer instructions to be provided by counsel to the Committee or the Debtor.

Dated: June 18, 2009 **THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF S & K FAMOUS BRANDS, INC.**

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Dated: June 18, 2009 **WELLS FARGO RETAIL FINANCE, LLC, AS ADMINISTRATIVE
AGENT AND COLLATERAL AGENT**

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